

QUARTERLY FINANCIAL REPORTING FORM

		1
1.	FOR THE QUARTER ENDING:	March 31, 2002
2.	Name:	Community Health Group
3.	File Number:(Enter last three digits) 933-0	200
4.	Date Incorporated or Organized:	May 1, 1992
5.	Date Licensed as a HCSP:	July 17, 1986
6.	Date Federally Qualified as a HCSP:	N/A
7.	Date Commenced Operation:	
8.	Mailing Address:	740 Bay Boulevard
9.	Address of Main Administrative Office:	740 Bay Boulevard
10.	Telephone Number:	619-422-0422
11.	HCSP's ID Number:	
12.	Principal Location of Books and Records:	740 Bay Boulevard
13.	Plan Contact Person and Phone Number:	Ms. Norma Diaz (619) 422-0422
14.	Financial Reporting Contact Person and Phone Number:	Matt Wilber (619) 498-6406
15.	President:*	Mr. Albert Vitela
16.	Secretary:*	Mr. Paul Dato
17.	Chief Financial Officer:*	Matt Wilber (619) 498-6406
18.	Other Officers:*	Matt Wilber Treasurer
19.		
20.		
21.		
22.	Directors:*	Ms. Norma Diaz -Chief Executive Officer
23.		Mr. Albert Vitela- President
24.		Mr. Paul Dato- Secretary
25.		Mr. Carlos Cesena- Board Member
26.		Mrs. Carlota Salas- Board Member
27.		Mr. Jose Luis Valdivia- Board Member
28.		
29.		
30.		
31.		

The officers listed on lines 15 through 17 of the health care service plan noted on line 2, being duly sworn, each for himself or herself, deposes and says that they are the officers of the said health care service plan, and that, for the reporting period stated above, all of the herein assets were the absolute property of the said health care service plan, free and clear from any liens or claims thereon, except as herein stated, and that these financial statements, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said health care service plan as of the reporting period stated above, and of its income and deductions therefrom for the period reported, according to the best of their information, knowledge and belief, respectively.

32. President

Mr. Albert Vitela

33. Secretary

Mr. Paul Dato

34. Chief Financial Officer

Mr. Matt Wilber

* Show full name (initials not accepted) and indicate by sign (#) those officers and directors who did not occupy the indicated position in the previous statement.

35. Check if this is a revised filing:

☐

36. If all dollar amounts are reported in thousands (000), check here

☐

Check My Work.

STATE OF CALIFORNIA
DEPARTMENT OF MANAGED HEALTH CARE
HEALTH CARE SERVICE PLAN

QUARTERLY FINANCIAL REPORTING FORM
SUPPLEMENTAL INFORMATION

		1
1.	Are footnote disclosures attached with this filing?	Yes <input type="button" value="v"/>
2.	Is the attached reporting form filed on a consolidated or combined basis? If "Yes", the plan is required to file consolidating or combining schedules.	No <input type="button" value="v"/>
3.	Is the plan required to file additional information (i.e. parent/affiliate financial statements, claims reports, etc.) that is required by the Department?	No <input type="button" value="v"/>
4.	Have the Restricted Assets changed from the previous quarterly filing? If "yes", complete Schedule A-2 (Restricted Assets).	No <input type="button" value="v"/>
5.	Are there any significant changes reported on Schedule G, Section III?	No <input type="button" value="v"/>
6.	If "yes", describe:	

STATEMENT AS OF 3-31-2002 OF 933-0200 Community Health Group

REPORT #1 ---- PART A: ASSETS

1	2
CURRENT ASSETS:	Current Period
1. Cash and Cash Equivalents	17,356,101
2. Short-Term Investments	16,022,664
3. Premiums Receivable - Net	1,055,905
4. Interest Receivable	8,346
5. Shared Risk Receivables - Net	0
6. Other Health Care Receivables - Net	832,016
7. Prepaid Expenses	270,610
8. Secured Affiliate Receivables - Current	0
9. Unsecured Affiliate Receivables - Current	0
10. Aggregate Write-Ins for Current Assets	28,716
11. TOTAL CURRENT ASSETS (Items 1 to 10)	35,574,358
OTHER ASSETS:	
12. Restricted Assets	500,000
13. Long-Term Investments	0
14. Intangible Assets and Goodwill - Net	247,500
15. Secured Affiliate Receivables - Long-Term	0
16. Unsecured Affiliate Receivables - Past Due	0
17. Aggregate Write-Ins for Other Assets	89,254
18. TOTAL OTHER ASSETS (Items 12 to 17)	836,754
PROPERTY AND EQUIPMENT	
19. Land, Building and Improvements	3,386,117
20. Furniture and Equipment - Net	356,574
21. Computer Equipment - Net	79,333
22. Leasehold Improvements -Net	28,229
23. Construction in Progress	0
24. Software Development Costs	816,313
25. Aggregate Write-Ins for Other Equipment	0
26. TOTAL PROPERTY AND EQUIPMENT (Items 19 to 25)	4,666,566
27. TOTAL ASSETS	41,077,678
DETAILS OF WRITE-INS AGGREGATED AT ITEM 10 FOR CURRENT ASSETS	
1001. Due From CHG Foundation	28,716
1002.	
1003.	
1004.	
1098. Summary of remaining write-ins for Item 10 from overflow page	
1099. TOTALS (Items 1001 thru 1004 plus 1098)	28,716
DETAILS OF WRITE-INS AGGREGATED AT ITEM 17 FOR OTHER ASSETS	
1701. Deposits	71,418
1702. Note Receivable- North County Community Health	17,836
1703.	
1704.	
1798. Summary of remaining write-ins for Item 17 from overflow page	
1799. TOTALS (Items 1701 thru 1704 plus 1798)	89,254
DETAILS OF WRITE-INS AGGREGATED AT ITEM 25 FOR OTHER EQUIPMENT	
2501.	
2502.	
2503.	
2504.	
2598. Summary of remaining write-ins for Item 25 from overflow page	
2599. TOTALS (Items 2501 thru 2504 plus 2598)	0

STATEMENT AS OF 3-31-2002 OF 933-0200 Community Health Group

REPORT #1 ---- PART B: LIABILITIES AND NET WORTH

1	2	3	4
CURRENT LIABILITIES:	Current Period		
	Contracting	Non-Contracting	Total
1. Trade Accounts Payable	2,878,286	XXX	2,878,286
2. Capitation Payable	0	XXX	0
3. Claims Payable (Reported)	2,296,368	216,555	2,512,923
4. Incurred But Not Reported Claims	5,529,832	521,482	6,051,314
5. POS Claims Payable (Reported)	0	0	0
6. POS Incurred But Not Reported Claims	0	0	0
7. Other Medical Liability	7,063,461	0	7,063,461
8. Unearned Premiums	159,522	XXX	159,522
9. Loans and Notes Payable	0	XXX	0
10. Amounts Due To Affiliates - Current	0	XXX	0
11. Aggregate Write-Ins for Current Liabilities	767,136	0	767,136
12. TOTAL CURRENT LIABILITIES (Items 1 to 11)	18,694,605	738,037	19,432,642
OTHER LIABILITIES:			
13. Loans and Notes Payable (Not Subordinated)	0	XXX	0
14. Loans and Notes Payable (Subordinated)	0	XXX	0
15. Accrued Subordinated Interest Payable	0	XXX	0
16. Amounts Due To Affiliates - Long Term	0	XXX	0
17. Aggregate Write-Ins for Other Liabilities	0	XXX	0
18. TOTAL OTHER LIABILITIES (Items 13 to 17)	0	XXX	0
19. TOTAL LIABILITIES	18,694,605	738,037	19,432,642
NET WORTH			
20. Common Stock	XXX	XXX	
21. Preferred Stock	XXX	XXX	
22. Paid In Surplus	XXX	XXX	
23. Contributed Capital	XXX	XXX	
24. Retained Earnings (Deficit)/Fund Balance	XXX	XXX	21,645,036
25. Aggregate Write-Ins for Other Net Worth Items	XXX	XXX	0
26. TOTAL NET WORTH (Items 20 to 25)	XXX	XXX	21,645,036
27. TOTAL LIABILITIES AND NET WORTH	XXX	XXX	41,077,678
DETAILS OF WRITE-INS AGGREGATED AT ITEM 11 FOR CURRENT LIABILITIES			
1101. Accrued Payroll and Benefits	767,136		767,136
1102.			0
1103.			0
1104.			0
1198. Summary of remaining write-ins for Item 11 from overflow page			0
1199. TOTALS (Items 1101 thru 1104 plus 1198)	767,136	0	767,136
DETAILS OF WRITE-INS AGGREGATED AT ITEM 17 FOR OTHER LIABILITIES			
1701.		XXX	0
1702.		XXX	0
1703.		XXX	0
1704.		XXX	0
1798. Summary of remaining write-ins for Item 17 from overflow page		XXX	0
1799. TOTALS (Items 1701 thru 1704 plus 1798)	0	XXX	0
DETAILS OF WRITE-INS AGGREGATED AT ITEM 25 FOR OTHER NET WORTH ITEMS			
2501.	XXX	XXX	
2502.	XXX	XXX	
2503.	XXX	XXX	
2504.	XXX	XXX	
2598. Summary of remaining write-ins for Item 25 from overflow page	XXX	XXX	
2599. TOTALS (Items 2501 thru 2504 plus 2598)	XXX	XXX	0

STATEMENT AS OF 3-31-2002 OF 933-0200 Community Health Group

REPORT #2: REVENUE, EXPENSES AND NET WORTH

	1	2
	Current Period	Year-To-Date
REVENUES:		
1. Premiums (Commercial)	5,972,300	5,972,300
2. Capitation	0	0
3. Co-payments, COB, Subrogation	0	0
4. Title XVIII - Medicare	0	0
5. Title XIX - Medicaid	18,601,674	18,601,674
6. Fee-For-Service	0	0
7. Point-Of-Service (POS)	0	0
8. Interest	256,165	256,165
9. Risk Pool Revenue		0
10. Aggregate Write-Ins for Other Revenues	17,604	17,604
11. TOTAL REVENUE (Items 1 to 10)	24,847,743	24,847,743
EXPENSES:		
Medical and Hospital		
12. Inpatient Services - Capitated		
13. Inpatient Services - Per Diem	4,158,358	4,158,358
14. Inpatient Services - Fee-For-Service/Case Rate	723,617	723,617
15. Primary Professional Services - Capitated	6,094,259	6,094,259
16. Primary Professional Services - Non-Capitated	2,207,539	2,207,539
17. Other Medical Professional Services - Capitated	0	0
18. Other Medical Professional Services - Non-Capitated	2,051,028	2,051,028
19. Non-Contracted Emergency Room and Out-of-Area Expense, not including POS	737,861	737,861
20. POS Out-Of-Network Expense	0	0
21. Pharmacy Expense - Capitated	0	0
22. Pharmacy Expense - Fee-for-Service	3,915,819	3,915,819
23. Aggregate Write-Ins for Other Medical and Hospital Expenses	1,235,713	1,235,713
24. TOTAL MEDICAL AND HOSPITAL (Items 12 to 23)	21,124,194	21,124,194
Administration		
25. Compensation	1,967,292	1,967,292
26. Interest Expense	0	0
27. Occupancy, Depreciation and Amortization	378,592	378,592
28. Management Fees	0	0
29. Marketing	433,272	433,272
30. Affiliate Administration Services	0	0
31. Aggregate Write-Ins for Other Administration	681,361	681,361
32. TOTAL ADMINISTRATION (Items 25 to 31)	3,460,517	3,460,517
33. TOTAL EXPENSES	24,584,711	24,584,711
34. INCOME (LOSS)	263,032	263,032
35. Extraordinary Item		
36. Provision for Taxes		
37. NET INCOME (LOSS)	263,032	263,032
NET WORTH:		
38. Net Worth Beginning of Period	21,382,004	21,382,004
39. Audit Adjustments		
40. Increase (Decrease) in Common Stock		
41. Increase (Decrease) in Preferred Stock		
42. Increase (Decrease) in Paid in Surplus		
43. Increase (Decrease) in Contributed Capital		
44. Increase (Decrease) in Retained Earnings:		
45. Net Income (Loss)	263,032	263,032
46. Dividends to Stockholders		
47. Aggregate Write-Ins for Changes in Retained Earnings	0	0
48. Aggregate Write-Ins for Changes in Other Net Worth Items	0	0
49. NET WORTH END OF PERIOD (Items 38 to 48)	21,645,036	21,645,036

STATEMENT AS OF 3-31-2002 OF 933-0200 Community Health Group

REPORT #2: REVENUE, EXPENSES AND NET WORTH

1	2	3
	Current Period	Year-to-Date
DETAILS OF WRITE-INS AGGREGATED AT ITEM 10 FOR OTHER REVENUES		
1001. Other Revenue	46,242	46,242
1002. Realized Gain/ (Loss) on Investments	-28,638	-28,638
1003. Unrealized Gain/ (Loss) on Investments		
1004.		
1005.		
1006.		
1098. Summary of remaining write-ins for Item 10 from overflow page		
1099. TOTALS (Items 1001 thru 1006 plus 1098)	17,604	17,604
DETAILS OF WRITE-INS AGGREGATED AT ITEM 23 FOR OTHER MEDICAL AND HOSPITAL EXPENSES		
2301. Reinsurance- Net	351,835	351,835
2302. Provider Savings Sharing	883,878	883,878
2303.		
2304.		
2305.		
2306.		
2398. Summary of remaining write-ins for Item 23 from overflow page		
2399. TOTALS (Items 2301 thru 2306 plus 2398)	1,235,713	1,235,713
DETAILS OF WRITE-INS AGGREGATED AT ITEM 31 FOR OTHER ADMINISTRATIVE EXPENSES		
3101. Printing and Reproduction	88,205	88,205
3102. Consultant Services	63,169	63,169
3103. Legal and Accounting	168,016	168,016
3104. General Insurance	54,273	54,273
3105. Postage and Express Freight	83,585	83,585
3106. Others	224,113	224,113
3198. Summary of remaining write-ins for Item 31 from overflow page		
3199. TOTALS (Items 3101 thru 3106 plus 3198)	681,361	681,361
DETAILS OF WRITE-INS AGGREGATED AT ITEM 47 FOR CHANGES IN RETAINED EARNINGS		
4701.		
4702.		
4703.		
4704.		
4705.		
4706.		
4798. Summary of remaining write-ins for Item 47 from overflow page		
4799. TOTALS (Items 4701 thru 4706 plus 4798)	0	0
DETAILS OF WRITE-INS AGGREGATED AT ITEM 48 FOR CHANGES OF OTHER NET WORTH ITEMS		
4801.		
4802.		
4803.		
4804.		
4805.		
4806.		
4898. Summary of remaining write-ins for Item 48 from overflow page		
4899. TOTALS (Items 4801 thru 4806 plus 4898)	0	0

REPORT #3: STATEMENT OF CASH FLOWS (Direct Method)

1	2	3
	Current Period	Year-to-Date
CASH FLOW PROVIDED BY OPERATING ACTIVITIES		
1. Group/Individual Premiums/Capitation	18,035,066	18,035,066
2. Fee-For-Service	0	0
3. Title XVIII - Medicare Premiums	0	0
4. Title XIX - Medicaid Premiums	0	0
5. Investment and Other Revenues	358,043	358,043
6. Co-Payments, COB and Subrogation	0	0
7. Medical and Hospital Expenses	-18,400,278	-18,400,278
8. Administration Expenses	-4,552,583	-4,552,583
9. Federal Income Taxes Paid	0	0
10. Interest Paid	0	0
11. NET CASH PROVIDED BY OPERATING ACTIVITIES	-4,559,752	-4,559,752
CASH FLOW PROVIDED BY INVESTING ACTIVITIES		
12. Proceeds from Restricted Cash and Other Assets	0	0
13. Proceeds from Investments	0	0
14. Proceeds for Sales of Property, Plant and Equipment	0	0
15. Payments for Restricted Cash and Other Assets	-26,226	-26,226
16. Payments for Investments	0	0
17. Payments for Property, Plant and Equipment	-18,038	-18,038
18. NET CASH PROVIDED BY INVESTING ACTIVITIES	-44,264	-44,264
CASH FLOW PROVIDED BY FINANCING ACTIVITIES:		
19. Proceeds from Paid in Capital or Issuance of Stock	0	0
20. Loan Proceeds from Non-Affiliates	0	0
21. Loan Proceeds from Affiliates	0	0
22. Principal Payments on Loans from Non-Affiliates	0	0
23. Principal Payments on Loans from Affiliates	0	0
24. Dividends Paid	0	0
25. Aggregate Write-Ins for Cash Provided by Financing Activities	0	0
26. NET CASH PROVIDED BY FINANCING ACTIVITIES	0	0
27. NET INCREASE (DECREASE) IN CASH (Items 11, 18 & 26)	-4,604,016	-4,604,016
28. CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	21,960,117	21,960,117
29. CASH AND CASH EQUIVALENTS AT END OF PERIOD	17,356,101	17,356,101
RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
30. Net Income	263,032	263,032
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities		
31. Depreciation and Amortization	264,272	264,272
32. Decrease (Increase) in Receivables	-213,619	-213,619
33. Decrease (Increase) in Prepaid Expenses	-996	-996
34. Decrease (Increase) in Affiliate Receivables	0	0
35. Increase (Decrease) in Accounts Payable	680,532	680,532
36. Increase (Decrease) in Claims Payable and Shared Risk Pool	984,970	984,970
37. Increase (Decrease) in Unearned Premium	-6,060,258	-6,060,258
38. Aggregate Write-Ins for Adjustments to Net Income	-477,685	-477,685
39. TOTAL ADJUSTMENTS (Items 31 through 38)	-4,822,784	-4,822,784
40. NET CASH PROVIDED BY OPERATING ACTIVITIES (Item 30 adjusted by Item 39 must agree to Item 11)	-4,559,752	-4,559,752
DETAILS OF WRITE-INS AGGREGATED AT ITEM 25 FOR CASH FLOW PROVIDED BY FINANCING ACTIVITIES		
2501.		
2502.		
2503.		
2598. Summary of remaining write-ins for Item 25 from overflow page		
2599. TOTALS (Items 2501 thru 2503 plus 2598)	0	0
DETAILS OF WRITE-INS AGGREGATED AT ITEM 38 FOR ADJUSTMENTS TO NET INCOME		
3801. Investment Activity	-127,907	-127,907
3802. Salaries, Wages and Benefits	-349,778	-349,778
3803.		
3898. Summary of remaining write-ins for Item 38 from overflow page		
3899. TOTALS (Items 3801 thru 3803 plus 3898)	-477,685	-477,685

REPORT #3: STATEMENT OF CASH FLOWS (Indirect Method)

	1	2
	Current Period	Year-to-Date
CASH FLOWS FROM OPERATING ACTIVITIES:		
1. Net Income (Loss)	263,032	263,032
ADJUSTMENTS TO RECONCILE NET INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
2. Depreciation and Amortization	264,272	264,272
3. Unrealized Gains/Losses on Equity Securities	48,481	48,481
4. Gain/Loss on Sale of Assets	-176,388	-176,388
5. Deferred Income Taxes	0	0
CHANGE IN OPERATING ASSETS AND LIABILITIES		
(Increase) Decrease in Operating Assets:		
6. Receivables	-213,619	-213,619
7. Prepaid Expenses	-996	-996
8. Affiliate Receivables	0	0
9. Aggregate write-ins for (increase) decrease in operating assets	-26,226	-26,226
Increase (Decrease) in Operating Liabilities:		
10. Trade Accounts Payable	680,532	680,532
11. Capitation Payable	0	0
12. Claims Payable and IBNR	101,091	101,091
13. Other Medical Liability	883,879	883,879
14. Unearned Premiums	-6,060,258	-6,060,258
15. Affiliate Payables	0	0
16. Aggregate write-ins for increase (decrease) in operating liabilities	-349,778	-349,778
17. NET CASH PROVIDED (USED) IN OPERATING ACTIVITIES	-4,585,978	-4,585,978
CASH FLOW FROM INVESTING ACTIVITIES		
18. Proceeds from Restricted Cash and Other Assets	0	0
19. Proceeds from Investments	0	0
20. Proceeds for Sales of Property, Plant, and Equipment	0	0
21. Payments for Restricted Cash and Other Assets	0	0
22. Payments for Investments	0	0
23. Payments for Property, Plant, and Equipment	-18,038	-18,038
24. Aggregate write-ins for cash flow provided by investing activities	0	0
25. NET CASH PROVIDED (USED) IN INVESTING ACTIVITIES	-18,038	-18,038
CASH FLOW FROM FINANCING ACTIVITIES		
26. Proceeds from Paid-in-Capital or Issuance of Stock	0	0
27. Loan Proceeds from Non-Affiliates	0	0
28. Loan Proceeds from Affiliates	0	0
29. Principal Payments on Loans from Non-Affiliates	0	0
30. Principal Payments on Loans from Affiliates	0	0
31. Dividends Paid	0	0
32. Principal Payments under lease obligations	0	0
33. Aggregate write-ins for cash flow provided by financing activities	0	0
34. NET CASH PROVIDED (USED) IN FINANCING ACTIVITIES	0	0
35. NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	-4,604,016	-4,604,016
36. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	21,960,117	21,960,117
37. CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	17,356,101	17,356,101

REPORT #3: STATEMENT OF CASH FLOWS (Indirect Method)

1	2	3
	Current Period	Year-to-Date
DETAILS OF WRITE-INS AGGREGATED AT ITEM 9 FOR (INCREASE) DECREASE IN OPERATING ASSETS		
901. Deposits	-26,226	-26,226
902.		
903.		
998. Summary of remaining write-ins for Item 9 from overflow page		
999. TOTALS (Items 901 thru 903 plus 998)	-26,226	-26,226
DETAILS OF WRITE-INS AGGREGATED AT ITEM 16 FOR INCREASE (DECREASE) IN OPERATING LIABILITIES		
1601. Salaries, Wages and Benefits	-349,778	-349,778
1602.		
1603.		
1698. Summary of remaining write-ins for Item 16 from overflow page		
1699. TOTALS (Items 1601 thru 1603 plus 1698)	-349,778	-349,778
DETAILS OF WRITE-INS AGGREGATED AT ITEM 24 FOR CASH FLOW PROVIDED BY INVESTING ACTIVITIES		
2401.		
2402.		
2403.		
2498. Summary of remaining write-ins for Item 24 from overflow page		
2499. TOTALS (Items 2401 thru 2403 plus 2498)	0	0
DETAILS OF WRITE-INS AGGREGATED AT ITEM 33 FOR CASH FLOW PROVIDED BY FINANCING ACTIVITIES		
3301.		
3302.		
3303.		
3398. Summary of remaining write-ins for Item 33 from overflow page		
3399. TOTALS (Items 3301 thru 3303 plus 3398)	0	0

SCHEDULE A-1 (CASH)

1	2	3
Name of Depository (List all accounts even if closed during the period)	Account Number	Balance*
1. Union Bank	4000165579	7,619,421
2. Union Bank	700016608-00	6,153,938
3. First National Bank	84000223	516,183
4. San Diego National Bank	3537340350	2,257,642
5. Wells Fargo Bank	W20880583	801,986
6. Wells Fargo Bank	0883-021263	5,631
7.		
8.		
9. Total Cash on Deposit		17,354,801
10. Cash on Hand (Petty Cash)		1,300
11. Total Cash on Hand and on Deposit (Report #1, Part A, Line 1)		17,356,101

SCHEDULE A-2 RESTRICTED ASSETS

1	2	3
Name of Depository (List all accounts even if closed during period)	Account Number	Balance*
12. Union Bank	400017964	100,000
13. California Bank & Trust	07-008439-30	100,000
14. Bank of America	21849-05065	100,000
15. Dai-Ichi Kangyo Bank	4402529	100,000
16. Washington Mutual	861-865230-4	100,000
17.		
18.		
19. Total Restricted Assets		500,000

* Indicate the Balance Per the HMO's Records

SCHEDULE C - PREMIUMS RECEIVABLE (Other than Affiliates)

Individually list all debtors (commercial only) with account balances greater than 5% of gross Premiums Receivable

	1 Name of Debtor	2 31-60 Days	3 61-90 Days	4 Over 90 Days	5 Total
1.	MRMIB- March 2002 Healthy Families Premium	1,055,905			1,055,905
2.					0
3.					0
4.					0
5.					0
6.					0
7.					0
8.					0
9.					0
10.					0
11.					0
12.					0
13.					0
14.					0
15.					0
16.					0
17.					0
18.					0
19.					0
20.					0
21.					0
22.					0
23.					0
24.					0
25.					0
26.					0
27.					0
28.					0
29.					0
30.					0
31.					0
32.					0
33.					0
34.					0
35.					0
36.					0
37.					0
38.					0
39.					0
40.					0
41.					0
42.					0
43.					0
44.					0
45.					0
46.					0
47.					0
48.					0
49.					0
50.					0
51.					0
52.					0
53.					0
54.					0
55.	Total - Individual Listed Receivables	1,055,905	0	0	1,055,905

SCHEDULE D
HEALTH CARE RECEIVABLES &
AMOUNTS DUE FROM PARENT, SUBSIDIARIES, AND AFFILIATES

Individually list all debtors with account balances greater than 10% of gross Receivables

	1 Name of Debtor	2 31-60 Days	3 61-90 Days	4 Over 90 Days	5 Total
1.	CMAC- March Supplemental Premiums	162,360			162,360
2.	International Managed Care Services	441,148			441,148
3.	International Managed Care Services	150,000			150,000
4.	Various	77,110	1,398		78,508
5.					0
6.					0
7.					0
8.					0
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52.					0
53.					0
54.					0
55.	Total - Individual Listed Receivables	830,618	1,398	0	832,016

STATEMENT AS OF 3-31-2002 OF 933-0200 Community Health Group

SCHEDULE F - ACCOUNTS PAYABLE

Individually list all creditors with account balances greater than 5% of total trade accounts payable. Group the total of all other payables and enter on the line titled, "Aggregate Accounts Not Individually Listed-Due." Report accounts payable from the initial date of billing or due date under contract.

	1 Name of Debtor	2 31-60 Days	3 61-90 Days	4 91-120 Days	5 Over 120 Days	6 Total
1.	City National Investment- Money Purchase Plan	548,084				548,084
2.	Kemper Services- Simplified Employee Pension	1,221,521				1,221,521
3.	MedImpact- Accrued Pharmacy Costs	767,000				767,000
4.	AON Health Insurance Services- March Reinsurance Premiums	131,925				131,925
5.	Various	209,756				209,756
6.						0
7.						0
8.						0
9.						0
10.						0
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12.						0
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20.						0
21.						0
22.						0
23.						0
24.	Total - Individual Listed Payables	2,878,286	0	0	0	2,878,286

SCHEDULE G - UNPAID CLAIMS ANALYSIS
SECTION I - CLAIMS UNPAID

	1	2	3
Type of Claim	Reported Claims in Process of Adjustment	Estimated Incurred but Unreported	Total - Unpaid Claims (Columns 4+5 of Section II)
1. Inpatient Claims	1,402,154	3,376,495	4,778,649
2. Physician Claims	873,100	2,102,492	2,975,592
3. Referral Claims	97,306	234,321	331,627
4. Other Medical	140,363	338,006	478,369
5. TOTAL	2,512,923	6,051,314	8,564,237

SECTION II - ANALYSIS OF CLAIMS UNPAID - PREVIOUS YEAR (FILE ANNUAL ONLY)

1 Type of Claim	Claims Paid During the Fiscal Year		Unpaid Claims During the Fiscal Year		6 Total Claims (Paid and Unpaid) for the Previous Fiscal Year (2+4)	7 Estimated Liability of Unpaid Claims Prior to the first day of the Prior Year
	2 On Claims Incurred Prior to the first day of the Current Fiscal Year	3 On Claims Incurred During the Fiscal Year	4 On Claims Unpaid Prior to the first day of the Previous Fiscal Year	5 On Claims Incurred During the Year		
6. Inpatient Claims	6,869,226	12,161,885	0	4,863,994	6,869,226	0
7. Physician Claims	2,512,627	6,771,895	0	2,878,756	2,512,627	0
8. Referral Claims	302,136	770,860	0	310,483	302,136	0
9. Other Medical	580,900	736,129	0	409,914	580,900	0
10. TOTAL	10,264,889	20,440,769	0	8,463,147	10,264,889	0

SECTION III - INVENTORY OF CLAIMS TO BE PROCESSED*

1 Month Ending	2	3	4	5	6	7
	Beginning Balance Number of Claims in inventory on the 1st of each month	Add - Claims Received during the month	Deduct - Claims paid during the month	Deduct - Claims denied during the month	Add/Deduct - Adjustments	Ending Balance Number of claims in inventory at the end of the month
11. Mar-02	13,007	26,599	25,241	983	2,895	16,277
13. Feb-02	17,429	22,650	25,194	1,042	-836	13,007
14. Jan-02	14,966	27,600	23,753	1,153	-231	17,429
15. Dec-01	11,431	21,302	17,017	876	126	14,966
16. Nov-01	8,537	20,884	18,451	812	1,273	11,431
17. Oct-01	6,968	25,119	21,788	1,199	-563	8,537
18. Sept-01	11,255	20,371	23,363	1,006	-289	6,968
19. Aug-01	7,685	21,605	18,676	907	1,548	11,255
20. July-01	9,529	21,714	20,789	1,051	-1,718	7,685
21. June-01	8,835	20,085	19,380	831	830	9,539
22. May-01	8,361	19,488	16,819	874	-1,321	8,835
23. April-01	3,994	19,272	15,274	712	1,081	8,361

* Describe any significant changes reported on Schedule G, Section III in the Supplemental Schedule (Page 2).

SCHEDULE H - AGING OF ALL CLAIMS

Age all claims on hand at the end of each month. Use the date of receipt to determine the number of days the claims is outstanding. The amount reported in Column 6 should equal the amount Reported on Schedule G, Section III, Column 7.

	1	2	3	4	5	6
	Month Ending	1-30 Days	31-60 Days	61-90 Days	Over 90 Days	Total
1.						
2.	Mar-02	16,277	0	0	0	16,277
3.	Feb-02	13,007	0	0	0	13,007
4.	Jan-02	17,249	0	0	0	17,249
5.	Dec-01	14,966	0	0	0	14,966
6.	Nov-01	11,431	0	0	0	11,431
7.	Oct-01	8,537	0	0	0	8,537
8.	Sept-01	6,968	0	0	0	6,968
9.	Aug-01	11,255	0	0	0	11,255
10.	July-01	7,685	0	0	0	7,685
11.	June-01	9,529	0	0	0	9,529
12.	May-01	8,835	0	0	0	8,835
13.	April-01	8,361	0	0	0	8,361

STATEMENT AS OF 3-31-2002 OF 933-0200 Community Health Group

SCHEDULE I - ANALYSIS OF TOTAL MEDICAL LIABILITY TO ACTUAL CLAIMS PAID

Using the Plan's Lag Tables, complete the following table. Provide claim information the current quarter and the previous seven quarters. An actuarial certification may be submitted in lieu of this schedule.

Reported Accrual				
1	2	3	4	5
Quarter Ending Date	Total Medical Liability*	Amount Paid-To-Date	Difference - Column (2-3)	Liability (Based on plan's lag table)
1. First Qtr- 2002	8,564,237	XXX	8,564,237	8,059,788
2. Fourth Qtr-2001	8,463,147	8,747,737	-284,590	310,580
3. Third Qtr-2001	8,003,890	7,927,696	76,194	59,825
4. Second Qtr-2001	8,222,831	7,697,178	525,653	7,126
5. First Qtr- 2001	8,018,383	7,076,853	941,530	0
6. Fourth Qtr-2000	10,264,889	6,273,935	3,990,954	0
7. Third Qtr-2000	9,797,430	5,875,424	3,922,006	0
8. Second Qtr-2000	10,674,282	5,589,213	5,085,069	0

* Should tie to Report #1, Part B, Columns 1 & 2, Lines 3 through 6.

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NOTES TO FINANCIAL STATEMENTS	
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STATEMENT AS OF 3-31-2002 OF 933-0200 Community Health Group

KNOX-KEENE
SUPPLEMENTAL INFORMATION

PURSUANT TO SECTIONS 1300.84.06, 1300.84.2 AND 1374.68

	1	2	3	4	5
A.	Explanation of the method of calculating the provision for incurred and unreported claims:				
1.					
B.	Accounts and Notes Receivable from officers, directors, owners or affiliates, as detailed below:				
	Name of Debtor	Nature of Relationship	Nature of Receivable	Amount	Terms
2.	CHG Foundation	Affiliate	Admin Service Agreement	28,761	30 Days
3.					
4.					
5.					
6.					
C.	Donated materials or services received by the reporting entity for the period of the financial statements, as detailed below:				
	Donor's Name	Affiliation with Reporting Entity	Valuation Method	Amount	
7.					
8.					
9.					
10.					
11.					
D.	Forgiven debt or obligations, as detailed below:				
	Creditor's Name	Affiliation with Reporting Entity	Summary of How Obligation Arose	Amount	
12.					
13.					
14.					
15.					
E.	Calculation of Tangible Net Equity (TNE) and Required TNE in accordance with Section 1300.76 of the Rules:				
16.	Net Equity			\$	21,645,036
17.	Add: Subordinated Debt			\$	0
18.	Less: Receivables from officers, directors, and affiliates			\$	28,761
19.	Intangibles			\$	247,500
20.	Tangible Net Equity (TNE)			\$	21,368,775
21.	Required Tangible Net Equity (See Page 22)			\$	3,567,091
22.	TNE Excess (Deficiency)			\$	17,801,684
F.	Percentage of administrative costs to revenue obtained from subscribers and enrollees:				
23.	Revenue from subscribers and enrollees			\$	48,338,888
24.	Administrative Costs			\$	7,501,849
25.	Percentage				0.16 %
26.	The amount of health care expenses incurred during the six month period immediately preceding the date of the report which were or will be paid to noncontracting providers or directly reimbursed to subscribers and enrollees:			\$	3,295,419
27.	Total costs for health care services for the immediately preceding six months:			\$	41,053,722
28.	Percentage				0.08 %

1

G. If the amount of health care expenses incurred during the six month period immediately preceding the date of the report which were or will be paid to noncontracting providers or directly reimbursed to subscribers and enrollees exceeds 10% of the total costs for health care services for the immediately preceding six months, the following information, determined as of the date of the reports, shall be provided:

29. Amount of all claims for noncontracting provider services received for reimbursement but not yet processed: \$

30. Amount of all claims for noncontracting provider services denied for reimbursement during the previous 45 days: \$

31. Amount of all claims for noncontracting provider services approved for reimbursement but not yet paid: \$

32. An estimate of the amount of claims for noncontracting provider services incurred, but not reported: \$

33. Compliance with Section 1377(a) as determined in accordance with such section, as follows:

34. Cash & cash equivalents maintained \$

35. Noncontracting provider claims (aggregate of total of items 29 - 32 above) \$

36. Cash & cash equivalents reported to be maintained (120% x Line 34) \$

37. Deposit required (100% of Line 36) \$

38. Excess (deficient) reserves (Line 34 - Line 37) \$

Percentage of premium revenue earned from point-of-service plan contracts:

39. Premium revenue earned from point-of-service plan contracts \$

40. Total premium revenue earned \$

41. Percentage %

Percentage of total health care expenditures incurred for enrollees for out-of-network services for point-of-service enrollees:

42. Health care expenditures for out-of-network services for point-of-service enrollees \$

43. Total health care expenditures \$

44. Percentage %

45. Point-of-Service Enrollment at end of period

Total Ambulatory encounters for period for point-of-service enrollees:

46. Physician

47. Non-Physician

48. Total

49. Total Patient Days Incurred for Point-of-Service enrollees

50. Annualized Hospital Days/1000 for Point-of-Service enrollees

51. Average Length of Stay for Point of Service enrollees

52. Compliance with Section 1374.68(a) as follows:

53. Current Monthly Claims Payable for out-of-network coverage or services provided under Point-of-Service Contracts: \$

54. Current monthly incurred but not reported claims balance for out-of-network coverage or services provided under Point-of-Service contracts \$

55. Total \$

56. Total times 120% \$

57. Deposit (Greater of Line 4 or minimum of \$200,000) \$

STATEMENT AS OF 3-31-2002 OF 933-0200 Community Health Group

REQUIRED TANGIBLE NET EQUITY (TNE) CALCULATION:
TNE required must be equal to the GREATER of "A" "B" or "C" below (See Rule 1300.76)

	Full Service Plans		Specialized Plans	
		1		2
A. Minimum TNE Requirement	\$	1,000,000	Minimum TNE Requirement	\$ 50,000
B. REVENUES:				
1. 2% of the first \$150 million of annualized premium revenues	\$	1,933,556	2% of the first \$7.5 million of annualized premium revenue	\$
Plus			Plus	
2. 1% of annualized premium revenues in excess of \$150 million	\$	0	1% of annualized premium revenue in excess of \$7.5 million	\$
3. Total	\$	1,933,556	Total	\$
C. HEALTHCARE EXPENDITURES:				
4. 8% of the first \$150 million of annualized health care expenditures, except those paid on a capitated or managed hospital basis.	\$	2,910,292	8% of the first \$7.5 million of annualized health care expenditures, except those paid on a capitated or managed hospital basis.	\$
Plus			Plus	
5. 4% of annualized health care expenditures in excess of \$150 million except those paid on a capitated or managed hospital payment basis.	\$	0	4% of annualized health care expenditures in excess of \$7.5 million except those paid on a capitated or managed hospital payment basis.	\$
Plus			Plus	
6. 4% of the annualized hospital expenditures paid on a managed hospital payment basis.	\$	656,799	4% of the annualized hospital expenditures paid on a managed hospital payment basis.	\$
7. Total	\$	3,567,091	Total	\$
8. Required "TNE" - Greater of "A" "B" or "C"	\$	2,567,091	Required "TNE" - Greater of "A" "B" or "C"	\$

KNOX -KEENE
SUPPLEMENTAL INFORMATION
PURSUANT TO SECTIONS 1374.64

POINT OF SERVICE "ADJUSTED" TANGIBLE NET EQUITY CALCULATION

Calculation of Tangible Net Equity and required Tangible Net Equity in accordance with Section 1374.64:

		1
1. Net Equity	\$	
2. Add: Subordinated Debt	\$	
3. Less: Receivables from officers, directors, and affiliates	\$	
4. Intangibles	\$	
5. Tangible Net Equity (TNE)	\$	
6. Required Tangible Net Equity (From Line 18 below)	\$	
7. TNE Excess (Deficiency)	\$	
ADJUSTED REQUIRED MINIMUM TANGIBLE NET EQUITY CALCULATION:		
I. Plan is required to have and maintain TNE as required by Rule 1300.76 (a)(1) or (2):		
8. Minimum TNE as calculated under Rule 1300.76 (a)(1) or (2)	\$	
9. 10% of annualized health care expenditures for out-of-network service for point-of-service enrollees	\$	
10. Add lines 8 and 9	\$	
11. Multiply line 10 by 130% ADJUSTED REQUIRED MINIMUM TNE	\$	
II. Plan is required to have and maintain TNE as required by Rule 1300.76 (a)(3):		
PART A		
12. Minimum TNE as recalculated to exclude annualized healthcare expenditures for out-of-network services for point-of-service enrollees (attach worksheet Page 24)	\$	
13. 10% of annualized health care expenditures for out-of-network services for point-of-service enrollees	\$	
14. Add lines 12 and 13	\$	
15. Multiply line 14 by 130%	\$	
PART B		
16. Unadjusted minimum TNE as calculated under Rule 1300.76 (a)(3)	\$	
17. Multiply line 16 by 130%	\$	
18. Greater of Part II, Lines 15 or 17 ADJUSTED REQUIRED MINIMUM TNE (To Line 6 above)	\$	

STATEMENT AS OF 3-31-2002 OF 933-0200 Community Health Group

WORKSHEET FOR ADJUSTED TANGIBLE NET EQUITY CALCULATION

	1 Full Service Plans	2 Specialized Plans
1. Health care expenditures for period	\$ 38,415,635	\$
Less:		
2. Capitated or managed hospital payment basis expenditures	20,226,309	
3. Health care expenditures for out-of-network services for point-of-service enrollees		
4. Result	18,189,326	
5. Annualized	36,378,652	
6. Reduce to maximum of \$150 million	36,378,652	
7. Multiply by 8%	\$ 2,910,292	\$
Plus		
8. Annualized health care expenditures except those paid on a capitated or managed hospital payment basis and excluding health care expenditures for out-of-network services for point-of-service enrollees	\$ 36,378,652	\$
9. Less \$150 million	0	
10. Multiply by 4%	\$ 0	\$
Plus		
11. Annualized hospital expenditures paid on a managed hospital payment basis and excluding health care expenditures for out-of-network services for point-of-service enrollees	\$ 16,419,968	\$
12. Multiply by 4%	\$ 656,799	\$
13. Total	\$ 3,567,091	\$